

ASSEMBLY BILL

No. 1432

Introduced by Assembly Member Emmerson

February 22, 2005

An act to add Section 56002 to the Government Code, relating to local government formation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1432, as introduced, Emmerson. Local agency formation.

Under the Cortese–Knox–Hertzberg Local Government Reorganization Act of 2000, a local agency formation commission may not approve a proposal that includes an incorporation unless it finds that revenues currently received by the transferor will accrue to the transferee and that expenditures currently made by the transferor will be assumed by the transferee. However, the proposal may be approved if the commission finds that the county and all of the subject agencies agree to the proposed transfer or the negative fiscal effect of the proposal is mitigated pursuant to an agreement.

This bill would declare the intent of the Legislature to enact legislation that would require the incorporation process be implemented in a rational and predictable process and that the financial security of the county and other affected agencies is insured while permitting the incorporation of communities demonstrating the necessary resources and capacity for self-governance.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 56002 is added to the Government
2 Code, to read:

3 56002. The Legislature finds and declares that residents often
4 seek to form new municipalities to provide more direct local
5 control and accountability over a variety of municipal services
6 including, land use, police, fire, code enforcement, and many
7 other services. The Legislature has allowed for the formation of
8 new municipalities through the general policies of the
9 Cortese–Knox–Hertzberg Reorganization Act of 1985 and prior
10 laws.

11 It is the intent of the Legislature to provide a process for the
12 incorporation of communities that demonstrate the necessary
13 resources and capacity for self-governance, while at the same
14 time protecting the financial stability of the new city, the county,
15 and other affected agencies. In addition, it is also the intent of the
16 Legislature that any savings accruing to all affected agencies
17 including the state, as a result of the transfer of services including
18 state public safety services due to an incorporation, are directed
19 to the newly incorporated city so that the affected territory may
20 not suffer a reduction in the level of state public safety services
21 as a direct result of the cessation of service provision upon
22 incorporation. It is the intent of the Legislature to enact
23 legislation that would require the incorporation process to be
24 implemented through a rational and predictable process of
25 gathering information, determining the appropriate mitigation of
26 financial impacts and incorporation conditions, and providing for
27 the review of these conditions based upon the fiscal realities that
28 a new city is faced with after incorporation.